

## HUMAN SERVICES BOARD

# INTRODUCTION

## FINDINGS OF FACT

1. In January 2008 the Department granted the petitioner a child care subsidy for her two children at 100 percent of its fee scale, and an additional "variance" to pay the difference between the amount charged by the provider and the subsidy amount she receives from the Department (her "copayment"). At the time, the petitioner was participating in Reach Up, which had identified day care as a service need.

This arrangement was renewed in August 2008 to run through October 4, 2008.

2. The petitioner reapplied for a continuation of her subsidy in October 2008. At the time she was working, and was no longer on Reach Up. In late November 2008 the Department notified her that based on her income she had been found eligible for a subsidy at 100 percent of the fee scale, effective October 4, 2008. However, the Department denied her request for a variance for her copayment effective that same date.<sup>1</sup>

3. The problem for the petitioner (and, unfortunately, for many other families) is that the actual prevailing rate for child care in most of Vermont significantly exceeds 100 percent of the Department's current fee scale. The petitioner feels she is unable to pay her child care provider the copayment that has been billed to her since October 4, 2008.

ORDER

The decision of the Department is affirmed.

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<sup>1</sup> Although the Department delayed its decision for over a month, there is no indication that the Department misled the petitioner into believing that she would be eligible to continue receiving a variance after October 4, 2008.

REASONS

The regulations adopted by the Child Care Services Division base eligibility for and amounts of child care subsidies on gross family income. CCS Regulation 4034. As noted above, based on her income from employment the petitioner has been found eligible for the maximum 100 percent child care rate on this basis.

Inasmuch as the demand for day care subsidies far exceeds the resources available to the Department, it has determined that it can no longer grant the petitioner, or anyone else in her circumstances, a variance from its regulations to pay the portion of her child care costs that exceeds the 100 percent subsidy rate. The Department acknowledges that its day care subsidies are not reflective of the actual costs incurred by working families in obtaining adequate day care, and it has informed the petitioner and the Board that it is seeking funding increases to raise its subsidy rates. However, given current budget constraints any increase in subsidies or a liberalization of the Department's policy toward variances appears unlikely in the immediate future.

Inasmuch as the Department's decision correctly applies its current regulations and policies the Board is bound to

affirm that decision. 3 V.S.A. § 3091(d), Fair Hearing Rule  
No. 1000.4D.

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